

EXTENSIONS OF REMARKS

IN HONOR OF THE 2ND CONGRESSIONAL DISTRICT ACADEMY NOMINATION COMMITTEE

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to express my immense gratitude to the academy nominating committee that assists me in selecting the best and brightest young people in central, southern and eastern Oregon for nominations to our nation's military academies.

As I'm sure my colleagues would agree, one of the greatest honors I have as a Member of Congress is the privilege of nominating outstanding young men and women from my district to the United States Military, Naval, Air Force, and Merchant Marine Academies. Not only do these prestigious institutions offer the finest education in the world, but they also provide an avenue to one of the most honorable forms of public service available to our citizens: the opportunity to serve in the United States armed forces. Graduates of these institutions serve not only as the leaders of our nation's military, but also in high positions of civic and social responsibility in later life.

Mr. Speaker, given the tremendous investment our government makes in these young men and women and the faith the nation places in them after their graduation, nominating the most qualified candidates to America's military academies is an important responsibility. For this reason, in the process of selecting nominees I seek the guidance of men and women whose patriotism, professionalism, and judgment are beyond reproach. I am immensely fortunate to have the assistance of a number of retired military officers in my district who personify these virtues.

In the process of selecting candidates for nomination, I have called upon the expertise of the following outstanding retired military officers to assist me:

The Oregon 2nd Congressional District Academy Nomination Committee:

Major General David S. Trump, USAF (Ret.)

Colonel Linda Sindt, USAF (Ret.)

Colonel Thomas G. Foster, USA (Ret.)

Captain Bud Hart, USN (Ret.)

Captain Sam Edelstein, USN (Ret.)

Colonel Norman Smedes, USAF (Ret.)

Captain Robert J. Trott, USN (Ret.)

Mr. Speaker, these dedicated individuals have served their fellow citizens selflessly in their careers as professional military officers, and their service to the nation continues in this new capacity. Drawing from their considerable experience, they assist me in selecting candidates who understand and appreciate the gravity of the pursuit they are undertaking. The members of the nominating committee spend countless hours reviewing each candidate's record and conducting extensive interviews to enable me to choose the best of the best. They are both thorough and demanding

in ensuring that the candidates they recommend bear the qualities that will be of value to the services they hope one day to join.

At a time when our nation is being tested as it has never been tested before, we are more mindful than ever of the need to identify and invest in the future leaders of our nation's military, the men and women who safeguard the very mantle of freedom under which we rise and sleep. I am grateful to have the guidance of these experienced officers who have, through their own outstanding military careers, demonstrated the qualities we seek in academy nominees. Our country will reap the benefits of their service for many years to come.

EMERGENCY WORKER AND INVESTOR PROTECTION ACT OF 2002

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. RANGEL. Mr. Speaker, we have all seen the press reports about how many of the employees of Enron lost virtually all of their retirement savings because of the Enron collapse. While the retirement savings of the rank and file Enron employees were disappearing, the corporate insiders sold millions of dollars worth of their Enron stock. The corporate insiders were able to sell their stock even though those insiders continued to promote Enron stock as a sound investment to the rank and file employees. In addition, Enron placed substantial restrictions on the ability of the rank and file employees to sell the Enron stock held in their retirement plan.

The Republican leadership has made it clear that it is willing to act promptly, without hearings, when providing large benefits to corporations. This Congress enacted an airline bailout bill promptly without hearings while making promises to help airline workers later. The House of Representatives passed legislation last year, without hearings, that would have provided a cash payment to Enron of over \$250 million. The House passed legislation protecting the insurance companies from claims in future terrorist attacks, again without hearings and also with further promises to provide worker benefits later.

Now, I ask the Republican leadership to permit prompt consideration of legislation to protect workers from another Enron-like incident. Workers should be entitled to the same consideration as large corporations.

The bill that I am introducing today along with Minority Leader GEPHARDT and others contains two provisions that I believe can and should be enacted immediately. The bill does not pretend to be the final answer to the issues raised by the Enron collapse. However, it will provide interim protection for workers. It ensures that the employees of a company will have the same ability to sell stock in company that the corporate insiders have. It also will help ensure that companies provide workers

and shareholders with accurate information about the true liabilities of the company so that they can make informed decisions as to whether to hold or sell that company's stock.

Mr. Speaker, I fully support investigations and hearings on the Enron situation. We need to fully understand what Enron did and how it was permitted to do it, in order to formulate a comprehensive legislative response. However the investigations, hearings, studies, and task forces should not be an excuse to delay immediate action designed to protect millions of employees as well as shareholders.

I believe there is some risk that Enron and its accounting firm may have been successful in destroying documents necessary for the investigations. I would note that there is one set of documents that Enron and its accountants did not destroy, namely Enron's tax returns. The executives from Enron have stated that the destruction of documents was contrary to their express instructions. If those executives are serious in desiring a full investigation, laying out all facts available, then they should release immediately Enron's tax returns for public examination. Those could be the only documents remaining that would fully disclose what happened to Enron and who is responsible.

Mr. Speaker, this is not the last bill that I will introduce as a result of the issues arising from the Enron case. As we learn more about specific problems that should be addressed, I will urge my colleagues to consider additional proposals. For example, recently there have been press reports that Enron enhanced its guaranteed retirement benefits for its executive officers while it was reducing or eliminating guaranteed pension benefits for rank and file workers. There may be need for legislation to prevent such an abuse in the future. In addition, it is clear that certain areas in our pension system need to be addressed to provide a greater level of retirement security to workers.

Following is a brief description of the bill I am introducing today.

SHORT-TERM WORKER PROTECTIONS

Enron employees suffered large losses on their investments in Enron stock because Enron placed restrictions on sales of its stock held by employees in section 401(k) plans. Indeed, during the critical period within which Enron collapsed, it prohibited all sales of stock in its 401(k) plans.

During the early 1980s Congress enacted legislation to respond to certain corporate transactions where insiders received large payments, called "golden parachutes." They were called golden parachutes because they enabled the insiders to bail out with extraordinary sums of dollars, often leaving a weak or bankrupt company behind. The legislation imposed a 20 percent excise tax on those payments.

My bill would extend the golden parachute excise tax to sales of corporate stock by corporate insiders during periods when rank and file employees of the company are not able to freely sell the company stock held their 401(k) accounts.

This portion of the bill would be temporary (in effect for 6 months). It is designed to force

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